39-7,121. Electronic pharmacy claims management system; limitations on utilization of system; implementation of system; reporting requirements. (a) The department of health and environment shall establish and implement an electronic pharmacy claims management system in order to provide for the on-line adjudication of claims and for electronic prospective drug utilization review.

(b) The system shall provide for electronic point-of-sale review of drug therapy using predetermined standards to screen for potential drug therapy problems including incorrect drug dosage, adverse drug-drug interactions, drug-disease contraindications, therapeutic duplication, incorrect duration of drug treatment, drug-allergy interactions and clinical abuse or misuse.

(c) The department of health and environment shall not utilize the system established under this section, or any other system or program, to require that a recipient has utilized or failed with a drug usage or drug therapy prior to allowing the recipient to receive the product or therapy recommended by the recipient's physician:

(1) If such recommended drug usage or drug therapy commenced on or before July 1, 2016; or

(2) for a period of longer than 30 days, if the drug usage or drug therapy is used for the treatment of multiple sclerosis.

(d) (1) If the department of health and environment utilizes the system established under this section, or any other system or program, to require that a recipient has utilized or failed with a drug usage or drug therapy prior to allowing the recipient to receive any product or therapy recommended by the recipient's physician, the department shall provide access for prescribing physicians to a clear and convenient process to request an override of such requirement. The department shall expeditiously grant such request for an override if:

(A) The required drug usage or drug therapy is contraindicated for the patient or will likely cause an adverse reaction by or physical or mental harm to the patient;

(B) the required drug usage or drug therapy is expected to be ineffective based on the known relevant clinical characteristics of the patient and the known characteristics of the required drug usage or drug therapy;

(C) the patient has tried the required drug usage or drug therapy while under the patient's current or previous health insurance or health benefit plan, and such use was discontinued due to lack of efficacy or effectiveness, diminished effect or an adverse event. For purposes of this paragraph, use of pharmacy drug samples shall not constitute use and failure of such drug usage or drug therapy; or

(D) the patient has previously been found to be stable on a different drug usage or drug therapy selected by such patient's physician for treatment of the medical condition under consideration.

(2) The department of health and environment, or any managed care organization or other entity administering the system established under this section, or any other similar system or program, shall respond to and render a decision upon a prescribing physician's request for an override as provided in this subsection within 72 hours of receiving such request.

(e) (1) Any proposed department of health and environment policy or rule and regulation related to any use of the system established under this section, or any other system or program, to require that a recipient has utilized or failed with a drug usage or drug therapy prior to allowing the recipient to receive any product or therapy recommended by the recipient's physician, shall be reviewed and approved by the medicaid drug utilization review board established by K.S.A. 2016 Supp. 39-7,119, and amendments thereto, prior to implementation by the department.

(2) Any proposed policy or rule and regulation related to use of any such system related to any medication used to treat mental illness shall be reviewed and approved by the mental health medication advisory committee established by K.S.A. 2016 Supp. 39-7,121b, and amendments thereto, and the medicaid drug utilization review board established by K.S.A. 2016 Supp. 39-7,119, and amendments thereto, prior to implementation by the department.

(f) The secretary of health and environment shall study and review the use of the program established under this section and prepare a report detailing the exact amount of money saved by using such program that requires that a recipient utilized or failed a drug usage or drug therapy prior to allowing the recipient to receive any product or therapy recommended by the recipient's physician and the percentage and amount of such savings that are returned to the state of Kansas. The secretary shall submit such report to the senate committee on public health and welfare, the senate committee on ways and means, the house committee on appropriations and the house committee on health and human services on or before January 9, 2017 and on or before the first day of the regular session of the legislature each year thereafter.

History: L. 1994, ch. 254, § 6; L. 2005, ch. 187, § 26; L. 2005, ch. 187, § 55; L. 2012, ch. 102, § 10; L. 2016, ch. 94, § 4; July 1.